



ENTERED
01/05/2016

**UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re: FAR EAST ENERGY CORPORATION Debtor	§ § § § §	Chapter 7 Case No. 15-35970
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ORDER GRANTING EMERGENCY MOTION FOR RELIEF FROM THE AUTOMATIC STAY

(Docket No. 22)

The Court, having considered the Emergency Motion for Relief from the Automatic Stay (the "Motion") filed by Prime Rate Premium Finance Corporation, Inc. ("Prime Rate"), finds that the Court has jurisdiction under 28 U.S.C. § 1334 and the standing order of reference of the District Court, that this is a core proceeding under 28 U.S.C. § 157(b)(2), that venue is proper, and that cause exists to enter this Order. The Court further finds that:¹

- (a) Under the Finance Agreement, Prime Rate, as an insurance-premium finance company, agreed to finance for the benefit of the Debtor premium amounts totaling \$65,766.00 for several insurance policies (collectively, the "Policies").
- (b) Under the Finance Agreement, the Debtor agreed to make nine monthly payments of \$5,637.30 and granted Prime Rate a perfected security interest in (among other things) any and all unearned or return premiums and dividends that may become payable under the Policies (as described in detail in the Finance Agreement, the "Collateral").
- (c) The Debtor commenced its bankruptcy case on November 10, 2015, and failed to make the payment due on November 11, 2015 under the Finance Agreement.

Accordingly, it is hereby **ORDERED** that:

- 1. The Motion is GRANTED.
- 2. The automatic stay imposed by 11 U.S.C. § 362(a) is hereby terminated to allow Prime Rate to immediately exercise, without the need for further motion or Court order, its rights under the Finance Agreement and applicable law, including but not limited to canceling the Policies, collecting the unearned and return premiums and dividends, and applying them to Prime Rate's claim.

¹ Undefined terms shall have the meaning ascribed to them in the Motion.

3. The notice requirements under the Finance Agreement and applicable law (including without limitation Texas Insurance Code § 651.161) are hereby waived. Any and all notices and waiting periods relating to cancellation of the Policies under the Finance Agreement and applicable law are deemed to have been satisfied by the Motion and the entry of this Order.
4. If Prime Rate exercises its remedies under the Finance Agreement:
 - a. to the extent allowed under the Finance Agreement and applicable law, the Policies are deemed to be canceled as of the Petition Date (November 10, 2015); and
 - b. any excess proceeds of the Collateral remaining after satisfying Prime Rate's claim and reasonable attorneys' fees and expenses shall be turned over to the Trustee.
5. If the past-due payments under the Finance Agreement are paid to Prime Rate within 2 business days after the entry of this Order and if future payments to Prime Rate under the Finance Agreement are timely made on the 11th of each month, Prime Rate will refrain from canceling the Policies.
6. The rights of Prime Rate under the Finance Agreement and applicable state law are fully preserved and protected, and are and shall remain unimpaired by the pendency of the Debtor's bankruptcy case.
7. This Order is enforceable against and binding upon all successors in interest and assigns of the parties.
8. The Trustee, the Debtor, and Prime Rate will execute such additional agreements, documents, or instruments as may reasonably be required to carry out the intent of this Order.
9. The Debtor shall not interfere with any actions of Prime Rate taken in accordance with this Order.
10. The 14-day stay under Federal Rule of Bankruptcy Procedure 4001(a)(3) and under Federal Rule of Bankruptcy Procedure 6004(h) (to the extent applicable) is waived, and this Order is effective and enforceable immediately upon entry.

Signed: January 05, 2016.



DAVID R. JONES
UNITED STATES BANKRUPTCY JUDGE

United States Bankruptcy Court
Southern District of Texas

In re:
Far East Energy Corporation
Debtor

Case No. 15-35970-drj
Chapter 7

CERTIFICATE OF NOTICE

District/off: 0541-4

User: dsta
Form ID: pdf002

Page 1 of 1
Total Noticed: 2

Date Rcvd: Jan 05, 2016

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Jan 07, 2016.

db +Far East Energy Corporation, 333 N. Sam Houston Parkway, Suite 230,
Houston, TX 77060-2498

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.
cr E-mail/Text: houston_bankruptcy@LGBS.com Jan 05 2016 22:04:03 Harris County,
c/o Tara L. Grundemeier, Post Office Box 3064, Houston, TX 77253-3064

TOTAL: 1

***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****

cr Prime Rate Premium Finance Corporation, Inc.

TOTALS: 1, * 0, ## 0

Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP.
USPS regulations require that automation-compatible mail display the correct ZIP.

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Jan 07, 2016

Signature: /s/Joseph Speetjens

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on January 5, 2016 at the address(es) listed below:

John E Mitchell on behalf of Debtor Far East Energy Corporation
john.mitchell@bakermckenzie.com, julia.rogic@bakermckenzie.com
Nancy Lynne Holley on behalf of U.S. Trustee US Trustee nancy.holley@usdoj.gov
Rodney D Tow
RT@trustesolutions.net;jwarren@rtowtrustee.com;rodneytow@outlook.com;RT@trustesolutions.com
Rosa A. Shirley on behalf of Debtor Far East Energy Corporation
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Tara L Grundemeier on behalf of Creditor Harris County houston_bankruptcy@publicans.com
US Trustee USTPRegion07.HU.ECF@USDOJ.GOV
Weiting Hsu on behalf of Creditor Prime Rate Premium Finance Corporation, Inc.
whsu@winstead.com

TOTAL: 7